

**Alberta
Cattle
Commission**

GRASS ROUTES

The Alberta cattle producer newsletter.

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Did you know?

The Alberta Cattle Commission (ACC) is projecting a balanced budget for 1994-95.

The current level of financing (\$1.50 per head) is adequate for the operations and activities of the ACC.

Look for a full budget presentation in the November issue of Grass Routes.

Will there be a vote on the check-off?

The short answer is YES....now for the long answer

The Alberta Cattle Commission (ACC) is working to give cattle producers an opportunity to vote on continuing the ACC's non-refundable check-off - one way or another. Many producers have been asking - "What's been going on with the vote?" and "Why is it taking so long?". Now for the long answer.

Over a year ago, the ACC asked the Alberta Agricultural Products Marketing Council (Marketing Council), the arm of the provincial government that supervises all agricultural boards and commissions, to hold a plebiscite on the non-refundable check-off. We hoped the vote could be held in the spring of 1993. But after months of discussion, negotiations with the litigants who launched the court challenge to the ACC's plan and regulations (the Butterfield and Bevers groups), and even drafting an official plebiscite regulation - Marketing Council said it would not hold a vote on the single issue of

refundability.

So the ACC began to develop plans to conduct a vote that would be held at the ACC fall election meetings. Following a discussion between the ACC and Agriculture Minister Isley, his department proposed holding the vote at a special portion of ACC fall zone meetings with government staff supervision to ensure fairness. The ACC accepted the proposal and the litigant groups were asked for their views. The litigant groups rejected it stating that a vote and discussion of the ACC check-off issue should not be held in conjunction with ACC meetings. This impasse continued through the provincial election.

Following a meeting with the ACC executive, new Alberta Agriculture Minister Paszkowski

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ACC moves to opt out of Tripartite

The Alberta Cattle Commission (ACC) has requested that the Alberta government withdraw from the National Tripartite Stabilization Program (NTSP) by December 31, 1993. Under the proposal, premium collections would cease September 30 and coverage would only be provided until December 31, 1993.

The ACC recognizes that other provincial governments and cattle producer associations are

looking to Alberta for leadership on this issue. Major cattle producer organizations in other provinces have made the same request.

The decision follows a recent meeting of federal-provincial assistant deputy ministers which agreed to allow individual provinces to opt out of the program early without penalties. The ACC would have preferred a nationally uniform solution.

Strength from the ground up.

What should we do about downer cows?

Although official tallies are unavailable, the number of sick and crippled cattle arriving at auction markets is considered to be very small. However highly publicized incidences where disturbing scenes of downer cattle being treated inhumanely have brought the issue to the forefront with media and animal rights activists. Although these scenes are not normal practice, they leave a lasting impression with consumers who question the humanness of our practices.

The Alberta Foundation for Animal Care (AFAC) which

represents agricultural animal industries and other concerned groups wants to address this issue. AFAC is seeking producer input to develop an industry policy on downers. If you have any comments or ideas on this issue, please call or write (address on the bottom right corner of page 4).



Can cows and fish co-exist?

Over 160 cattle producers, wildlife/environmental and government representatives were part of a recent workshop at Blairmore studying the relationship between range management and riparian habitat.

Cows & Fish: Conflict or Cooperation? brought together users of streams and stream valleys to discuss ways of cooperating to manage these valuable areas.

The workshop studied the current public, regulatory and legislative attitudes towards grazing and riparian habitat protection. It also discussed effective riparian pastures and grazing rotation systems for maintaining fish habitat and increasing forage production. Finally, the workshop examined how the American industry has dealt with conflict over riparian area stewardship and what lessons can be learned for our industry.

"With cooperative efforts like these, we are building important bridges with other user groups. The relationships cultivated here will be useful in developing resource management plans that take into account the needs of all stakeholders," says Alberta Cattle Commission (ACC) Chairman Larry Sears.

The workshop is part of a unique cooperative project between the ACC, Trout Unlimited Canada, Alberta Agriculture, Alberta Environmental Protection and the Canadian Cattlemen's Association.

The project will demonstrate the role of range management in maintaining water quality and stream riparian habitat on working ranches. The knowledge gained at demonstration sites will assist grassland managers in developing appropriate methods of managing riparian ecosystems for grazing, fish and wildlife habitat.

Let producers decide (continued)

instructed his staff to try to find a new way to resolve the check-off issue and litigation. The minister's criteria for the vote were that it be a fair, neutral and informed vote by beef cattle producers. Alberta Agriculture subsequently developed a new proposal that involved holding information and voting meetings in October and November apart from the ACC fall meetings. The ACC accepted this proposal, however the litigants again rejected the proposal saying that any producer information meetings would be unacceptable.

About mid-August, the litigants and Alberta Agriculture proposed a registration and mail-out balloting process to be held in January to March 1994. The ACC board reviewed this proposal and accepted it with the provision that producers be able to receive information or participate in discussions on the check-off issue to cast an informed vote.

As we went to press, the ACC executive and the litigants met again to discuss the parameters of a producer vote. The litigants' request for limits on check-off discussions at ACC fall election meetings

and in all ACC communications with cattle producers will now be assessed by the ACC board of directors.

The ACC would like to see the check-off issue resolved through a plebiscite conducted by Alberta Agriculture so that the voting process will not be challenged. However, the government has said they are only interested in holding the plebiscite if it results in an adjournment of the litigation, which is scheduled to be heard in court September 20. If the litigation goes to court, the government may rescind its offer to conduct a plebiscite and then the ACC will need to organize a vote for cattle producers.

The ACC believes the issue of the non-refundable check-off needs to be resolved once and for all by producers so that we can get on with the job of improving markets for beef and the economic environment for beef cattle producers. The ACC remains committed to using the results of a producer plebiscite or vote on the check-off to develop a new marketing plan in consultation with the industry.

So, yes there will be a vote. Where or when still remains to be seen.

High participation in ACC elections

The Alberta Cattle Commission (ACC) will have a record number of elections and candidates during this year's fall meetings. Elections will be held in seven of nine zones with 57 candidates participating in the ACC's democratic process.

"The response to this year's elections is proof of cattle producers' commitment to the democratic process," says Arnold Hanson, ACC producer liaison chairman. "Direction for the ACC and the cattle industry should come from public forums and producer consensus, not from the minority or the courts."



Industry sectors work for solutions

The Alberta Cattle Commission (ACC) technical committee recently sponsored a workshop which brought together cattle producers, packers, processors, and the scientific community to evaluate ACC projects for impact on the industry.

The workshop studied project feasibility, barriers to implementation and profit potential of each project to determine their impact on the industry. Problems in any of these areas can affect implementation and reduce the return on the ACC's research investment.

Technical Committee Chairman Fred van Ingen says, "One of the reasons we organized the workshop was to get competitors within sectors of the cattle industry to talk frankly about what the industry needs to do to succeed. We also wanted to increase communication between the different sectors so we can start competing as an industry instead of on a sector by sector basis."

Three promising ACC projects were subjected to a market focus process: a branded Alberta beef project, real time ultrasound and electronic identification (see accompanying story).

Branded Alberta Beef

The ACC is organizing industry players to examine the feasibility of branded Alberta beef products that will ensure the consistent, high quality beef consumers demand.

Improved genetics and electrical and natural ageing are existing technologies which may provide this product. However, some of these technologies are not profitable. The ACC is working with the industry to determine which combination of technologies would make the product affordable.

Currently, developing a branded, high quality product would add 60 to 70 cents per pound to the price. It is unknown if consumers are willing to pay for the increased quality. It is also unknown if developing a branded product will arrest the decline in beef consumption.

Real Time Ultrasound

A third project funded by the ACC called real time ultrasound uses soundwaves to create visual images of the ribeye area in live cattle. Ultrasound

can measure ribeye area, back fat and potential to marble in live cattle. This technology has several applications for producers such as selecting breeding stock and sorting feeder and fat cattle based on carcass traits. The ultrasound technology is portable and will be marketed as a service rather than individual operators buying their own equipment.

Electronic identification

An ongoing research project of the Alberta Cattle Commission (ACC) is electronic identification (EID).

EID is made up of three components: the *transponder* is a computer chip with antenna encapsulated in glass for implantation in the ear, the *implant gun* similar to those used for growth promotants, and the *reader* which sends out a power burst activating the transponder which then sends a pre-coded signal back to the reader. Currently, implants are \$5 per unit and readers \$900 per unit.

The ACC conducted a trial using 1,000 steers located in two major feedlots in Alberta. Implant failure averaged between 2.5 to 4.5 per cent. One hundred per cent of implants were recovered at slaughter. Implants constitute no food safety hazard and have been registered for use in food animals.

Implants hold many advantages for the industry. They will make disease traceback possible from carcass to the producer. Implants can also replace branding with benefits for the industry by increased hide value and public relations value on animal welfare issues. EID will also make the transfer of genetic information between sectors possible. Packers and purebred breeders will be able to better identify yield and carcass traits in the different breeds.

Barriers to implementation exist. Some perceive a need for expanded read range. The United States has not yet approved EID for use in livestock which creates a barrier for live exports. The greatest benefits of EID are realized by the feedlot and packer sectors while the cow/calf sector, which must implement EID, receives less direct benefit.



Canada Beef

Beef promotion in Japan

The Canada Beef Export Federation (CBEF) is heading into the two biggest Canadian beef promotions in Japan this year.

CBEF is conducting a coordinated series of beef promotions at the retail, hotel and restaurant level in Fukuoka, Japan this October.

Activity will peak October 22 - 24 with a retail promotion at *Meijiya Sangyo*, the world's second largest beef retail outlet. *Meijiya Sangyo* sells 10,000 tonnes of beef annually. During the three day promotion, over 100 tonnes of Canadian beef will be sold which is two per cent of this year's total estimated Canadian exports to Japan.

The promotion with *Meijiya Sangyo* will provide Canadian beef exporters with an opportunity to do business and develop contacts with a major market leader in Japan. *Meijiya Sangyo* just started selling Canadian beef this year and is expected to increase orders.

CBEF will also be conducting promotions with two steakhouse chains and an upscale department store in Fukuoka.

The second major beef promotion is Canada Meat Week in Nagoya, Japan. Starting October 25, CBEF will be assembling 200 Japanese beef importers, distributors, purveyors, processors, chefs and buying managers for comprehensive seminars on Canadian beef and veal.

Nagoya is one of the major meat centers in Japan and has long been a closed market to Canadian beef due to a lack of contacts between buyers and sellers.

The seminar is a starting point for highlighting the quality of Canadian beef and identifying and developing potential clients.

"Everything we do is geared to developing corporate relationships that turn into Canadian beef sales," says Neil Jahnke, president of CBEF.

"We assist our members by matching their special capabilities to the market opportunities that exist in the Pacific Rim. Helping our members find a market niche ensures the best return for producer dollars invested in market development."

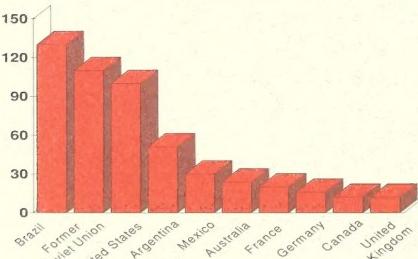
Canada Beef appoints senior executive

The Canada Beef Export Federation recently appointed Ben McEwen as senior executive officer responsible for overseeing activities, operations and staffing. McEwen served as deputy minister of Alberta Agriculture for 11 years until his retirement from public service in December 1992.

Market Watch by:



World Cattle Inventory (millions of head)



MONTHLY AVERAGES FOR ALBERTA

	Aug. average	July average	change	Aug. 92 average	change
FED STEERS	91.09	87.88	+3.21	81.05	+10.04
FED HEIFERS	89.30	86.00	+3.30	79.76	+9.54
FEEDER STEERS					
300 - 400	147.76	147.79	-0.03	120.46	+27.30
400 - 500	141.50	138.56	+2.94	113.46	+28.04
500 - 600	132.26	126.22	+6.04	107.45	+24.81
600 - 700	124.01	119.26	+4.75	102.85	+21.16
700 - 800	115.65	113.25	+2.40	98.98	+16.67
800 - 900	108.89	104.27	+4.62	93.20	+15.69
900 +	103.51	98.40	+5.11	88.38	+15.13
FEEDER HEIFERS					
300 - 400	133.85	132.06	+1.79	112.07	+21.78
400 - 500	126.96	119.74	+7.22	106.63	+20.33
500 - 600	119.36	115.73	+3.63	100.75	+18.61
600 - 700	114.06	109.69	+4.37	95.53	+18.53
700 - 800	107.03	104.98	+2.05	91.88	+15.15
800 +	101.01	96.54	+4.47	87.50	+13.51

CANFAX is a non profit market information service that offers its members detailed weekly and monthly market reports and a member-only hotline to get up to the minute information. For more information call Anne or Keith at 275-5110.

ACC Market Information Service

Slaughter Cattle Information 274-4340
Feeder Cattle Information 274-4345

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